

Financial Services Alerter

February 2019





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EU developments

ESMA publishes statement on no-deal Brexit EMIR derivatives

On 01 February 2019, the European Securities and Markets Authority (ESMA) published a [statement](#), “On issues affecting reporting, recordkeeping, reconciliation, data access, portability and aggregation of derivatives under Article 9 EMIR in the case of UK withdrawal from the EU without a transitional agreement”. The statement clarifies certain instances relating to the derivatives reported under Article 9 of EMIR, and applies in the event of a no-deal Brexit.

ESMA publishes updated Q&As on EMIR implementation

On 04 February 2019, the European Securities and Markets Authority (ESMA) published updated [Q&As](#) on the implementation of EMIR, making the following changes:

- Q&A 34 (amended) - trade repositories to confirm how counterparties should report a derivative with no maturity date
- Q&A 38 (amended) – trade repositories to clarify when reports should be submitted in relation to reporting derivatives that are terminated before the reporting deadline
- Q&A 50 (new) - trade repositories to clarify the approach counterparties should take for reporting field "confirmation means".

ESMA updates MiFIR data reporting Q&As

On 04 February 2019, the European Securities and Markets Authority (ESMA) updated its [Q&As](#) on MiFIR data reporting, making the following changes:

- section 2, Q&A 5 (new) - LEI of the issuer
- section 5, Q&As 2, 3 and 4 (new) - Maturity Date, expiry date and termination date.
- section 17, Q&A 1(c)) (amended) – Complex trades

ESMA publishes consultation on draft guidelines on liquidity stress testing of UCITS and AIFs

On 05 February 2019, the European Securities and Markets Authority (ESMA) published a [consultation paper](#), “Guidelines on liquidity stress testing in UCITS and AIFs”. ESMA aims to publish a final report by summer of 2019.

The consultation period closes on 01 April 2019.

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ESMA to recognise UK CCPs in the event of a no-deal Brexit

On 18 February 2019, the European Securities and Markets Authority (ESMA) published a [press release](#), “ESMA to recognise three UK CCPs in the event of a no-deal Brexit” confirming that three central counterparties (CCPs) established in the UK will be recognised to provide services in the EU. They are:

- LCH Limited
- ICE Clear Europe Limited
- LME Clear Limited.

ESMA renews prohibition on binary options for three months from 02 April 2019

On 18 February 2019, the European Securities and Markets Authority (ESMA) published a [press release](#), “ESMA renews binary options prohibition for a further three months from 02 April 2019”. ESMA has agreed to renew the prohibition on binary options from 02 April 2019 on the same terms as the previous renewal decision that started to apply on 02 January 2019. The renewal was agreed by ESMA’s Board of Supervisors on 14 February 2019.



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International
developments

IOSCO publishes consultation on recommendations relating to sustainable finance

On 01 February 2019, the International Organization of Securities Commissions (IOSCO) published a [consultation paper](#), “Sustainable finance in emerging markets and the role of securities regulators”, outlining a list of recommendations designed to encourage transparency and disclosure for issuers and to facilitate the development of sustainable finance.

The consultation period closes on 01 April 2019

Lexica and other client items

- 01 February 2019 [Let's get engaged: Stewardship in the UK - FRC and FCA consult on revisions to the Stewardship Code and on the regulatory framework for effective stewardship](#)
- 04 February 2019 [Simmons & Simmons FinTech Fund](#)
- 05 February 2019 [Central Bank of Ireland publishes Markets Update with preparations for Brexit at the forefront](#)
- 05 February 2019 [Brexit and the Luxembourg Temporary Permissions Regime](#)
- 05 February 2019 [The future of the Asset Management industry](#)
- 05 February 2019 [Temporary permission regime published in the Netherlands](#)
- 05 February 2019 [Formal launch of Global Financial Innovation Network and cross border testing pilot](#)
- 07 February 2019 [Former fund manager fined £32,200 for disclosure of information in advance of IPO](#)
- 07 February 2019 [Brexit: First tangible measures published by French Government in order to prepare for a Hard Brexit](#)
- 07 February 2019 [FCA Consultation on changes to align the FCA Handbook with the EU Prospectus Regulation and other Prospectus Regulation related developments](#)
- 08 February 2019 [The FCA's policy statement following the Asset Management Market Study: impact on fund managers](#)
- 11 February 2019 [Common Ownership Structures in Asset Management Industry Under Closer Inspection by German Competition Authorities](#)
- 11 February 2019 [No Deal BREXIT: Luxembourg takes measures to ensure stability for the financial market](#)
- 13 February 2019 [1% SDLT surcharge on acquisitions of UK residential property by non-residents](#)
- 13 February 2019 [Brexit - French ordonnance dated 06 February 2019](#)
- 14 February 2019 [Investing in Supply Chain Finance as an Asset Class - World Supply Chain Finance Report 2019](#)
- 15 February 2019 [The German Master-KVG model](#)
- 15 February 2019 [Distribution of Investment Funds in Germany](#)
- 15 February 2019 [Funds finance in the spotlight: emerging developments in due diligence](#)
- 15 February 2019 [Jurisdiction and Governing Law after a No Deal Brexit - the state of play](#)
- 18 February 2019 [BaFin publishes short selling ban in Wirecard AG](#)
- 21 February 2019 [A sneak peek at the Dutch advance ruling practice](#)
- 21 February 2019 [The Amsterdam Derivatives Academy presented: Brexit, initial margin and benchmark reform](#)
- 25 February 2019 [EMIR Newsflash: UK Treasury issues guidance on pension clearing exemption](#)

- 25 February 2019 [Brexit: Amendment to the German Pfandbrief Act introduced by the German Federal Council \(Bundesrat\) to permanently recognise the eligibility of UK assets as cover](#)
- 27 February 2019 [PRIIPs KIDs: impact of the ESAs' Final Report](#)
- 28 February 2019 [Let's get \(more\) engaged: Stewardship in the UK - FCA consults on UK implementation of Shareholder Rights Directive II](#)
- 28 February 2019 [Reduced Dismissal Protection for Top-Banker](#)
- 28 February 2019 [Brexit as a frustrating event?](#)

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